REAL ESTATE COMMISSION

Professional & Vocational Licensing Division Department of Regulatory Agencies State of Hawaii

MINUTES OF MEETING

Thursday, June 9, 1966 Date:

Conference Room, 424 South Beretania Street, Honolulu, Hawaii Place:

Present: Jack K. Palk, (Oahu) Chairman William H. C. Young, (Oahu)

> Mrs. Dorothy S. Ahrens, (Kauai) William A. Beard, (Hawaii)

Tom L. Peterson, Deputy Attorney General Robt E. Bekeart, Executive Secretary

By Invitation:

Mrs. Joyce M. Yoshiura, representing Honolulu Board of Realtors

Absent: Yukio Kashiwa, (Oahu) - excused

Harold J. Silva, (Oahu) - excused

Wesley Charlton, representing Real Estate Association of Hawaii

There being a quorum, Mr. Palk, presiding as Chairman, called Call to

the meeting to order at 10:10 a.m. Order:

Minutes: UPON MOTION, the Commission approved the minutes of Tuesday,

May 17, 1966 as presented to the membership.

Motion carried unanimously.

The report for that portion of the Fourth Quarter, Fiscal Year Financial

1966, ending May 31, 1966, was noted and filed. Report:

LICENSING (Sec. 170-1. through 170-14.) Business

Out of

Minutes: VIOLET C. KING - Appearance

> The Commission discussed the September 6, 1963 agreement whereby Mrs. King pledged to work under the supervision of Mr. Robert W. B. Chang, Attorney, for two (2) years. Through questioning, the Commissioners learned from Mrs. King that she had not met the conditions of the agreement under which the Commission saw fit to reinstate her real estate broker's license which was revoked

June 15, 1960.

Mrs. King recited her role in the Diosdado Piligrino problem, being complaint CASE FILE NO. RE-198, and responded to further questions on her failure to submit listing agreements, sales contracts, deeds, leases and other documents to Mr. Chang for his review.

After concluding the discussion with Mrs. King on her alleged unethical conduct in the Piligrino complaint, the Commission agreed that it was only proper to hear the complainant's side. Mr. Diosdado will be requested to appear at the next meeting.

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SUBDIVISIONS (Sec. 170-30. through 170-38.)

MARCO ISLAND SUBDIVISION - The Commission noted the receipt of and accepted corrections to the advertising and promotional matter submitted by Clifford S. Chun. President-Director, C.S. Chun & Co., Inc., Hawaii franchised representatives for the Florida subdivider, Marco Island Development Corporation.

The deletion of certain language in a proposed flyer to be distributed in Hawaii can be studied in the Subdivision Registration Statement file.

CONDOMINIUMS (Sec. 170A-1. through 170A-44.)

REG. NO. 9 KAUAIAN HYATT HOUSE

The Chairman reported some progress had been made in studying the file for possible violations. Note was made that the Deputy Attorney General, Mr. Peterson, should have access to one of the bulkier compendiums of documents and information submitted to the Commission by Mr. James Campbell, Attorney for the Plaintiffs in the litigation before Judge Tashiro, Fifth Circuit Court.

REG. NO. 134 TWIN TOWERS Final Report June 7, 1966

The above information on registrations carried over from previous meetings was accepted by the Commission.

Investigations:

RE-204, MOKULEIA BEACH CABANAS SUBDIVISION

Having reviewed the facts and information presented in the narrative, the Commission recommends that this file be forwarded to the Attorney General for investigation and prosecution.

<u>New</u> Business:

NEW CORPORATIONS, PARTNERSHIPS, DBAs and BRANCH OFFICES
UPON MOTION, the Commission rules that the licenses tentatively
authorized for the following be approved, ratifying the action
of the Executive Secretary:

Corporation

RELIANCE INDUSTRIES, INC. dba RELIANCE REALTY (Change of name from International Industries, Inc.)

Partnership

(None)

DBAs.

Patricia B. Davis

dba Pat Davis, Realtors

Branch Office

Don Miguel Realty, Inc.

Annie Lanham, B.I.C.

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The members reviewed the deferred item from last month's meeting relating to approving and processing broker applications submitted by DI MAURO REAL ESTATE, INC., George E. Polhemus, RPB, and HARRY T. MASUDA ASSOCIATES, INC., Kenneth S. Kiyabu, RPB.

In earlier discussion, the commissioners expressed their serious concern that in each of the applications above, the firm name identifies to a person who held no license as a broker. The DI MAURO and MASUDA applications were accepted as approved with the condition that a letter will be sent each of the firms advising that the Commission looks with disfavor on the practice of using an unlicensed person's name to identify the firm and thus permitting it to hold itself out to the public in a misleading manner.

The application of Charles G. Clark and his request to serve as RPB for Clark Realty, Inc. was also approved. The commissioners are cognizant of the fact that this license to Clark Realty, Inc. had been issued sometime ago before the Commission took this matter under advisement.

It was agreed that this problem would be made a part of the legislative program and/or the project of strengthening and improving the rules and regulations.

SUBDIVISIONS

UPON MOTION, the Commission accepts as completed the Subdivision Registration Statement on the following:

TAHOE PARADISE UNIT NO. 46

TAHOE PARADISE UNIT NO. 47

Mr. Silva reported his examination of the two registrations and recommended acceptance.

Motion carried unanimously.

CONDOMINIUMS - Notices of Intention have been received on:

(UNASSIGNED) - THE KONA SPORTSMAN

The Chairman directs that this submission be given careful examination in processing the public report. Special attention is to be paid to the handling of purchasers' funds and the requirement of a proper disclosure in the selling program in order to avoid possible allegations of misrepresentation.

(UNASSIGNED) - FAIRWAY MANOR

Miscellaneous: MRS. ISABEL VEECH, Executive Secretary, Honolulu Board of Realtors

The Chairman directed that an appropriate resolution is to be drawn expressing the Commission's sympathy on the death of Mrs. Veech. Said resolution is to be forwarded to the deceased's husband, Mr. Alex Veech, as a demonstration of the commissioners' condolences.

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OUT-OF-STATE LAND SALES

The Antelope Valley land sales surveillance project is to be reported on at the next meeting. The Executive Secretary is to illustrate the status of the campaign of identifying violations of the licensing statute and the subdivision registration requirements.

NARELLO WESTERN DISTRICT CONFERENCE

The Chairman spoke to the necessity of Havaii being represented at this regional meeting. He noted that he is exploring every avenue to solicit support from the administration to attend this important assembly.

On canvassing the members present, the Chairman recognized that Mr. Beard may be able to make the conference. It was agreed that Mr. Silva should be asked if he could attend even though the June 16 - 17 meeting was a short time away.

EDUCATION TASK FORCE

As Mr. Phil Thomas was not present, the Executive Secretary reported on the progress Mr. Thomas has made in studying the Commission's efforts in setting goals to determine through a Characteristic Study of Licensees just what problems at the pre-licensing and post-licensing levels can be identified.

LIN SIN "Sonny" LAI

The status of the licensee's position at Court on criminal charges of embezzlement is under examination by the Investigation Branch.

MARVIN MOCHE (aka HYMAN GALEA) and JOSEPH HUNTER

The two complaints and respective investigation reports are believed to be Sec. 170-4.(c) infractions, and the files on the advice of Mr. Peterson, Deputy Attorney General, should be referred to the Attorney General for prosecution by the State.

1967 LEGISLATIVE PROGRAM

The Chairman instructed the Executive Secretary to make the matter of cease and desist orders a part of the proposal to strengthen the Commission's statutes and regulations. As discussed earlier, the project is to include enabling legislation to give the Commission the authority to issue, promulgate and enforce cease, desist and refrain orders and that such an empowerment give the regulatory body the right to enjoin, when necessary, those who are found to be in violation of the Licensing Law, Subdivision Registration Law and the Horizontal Property Regimes statute.

APPLICATIONS FOR EXAMINATION FILED AFTER DEADLINE

On the Executive Secretary's recommendation, the Commission ruled that the six (6) applications for salesman and one (1) application for broker received in the office after the established deadline of May 27, 1966 be moved ahead to the next examination.

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Date of

The next meeting is scheduled for Tuesday, July 19, 1966,

Next Meeting: at 10:00 a.m., in Honolulu.

Mr. Young, advising the members of his July and August travel

plans, shall be excused from the next two meetings.

Adjournment:

There being no further business to transact, the Chairman

declared the meeting adjourned at 12:10 p.m.

ROBT E. BEKEART Executive Secretary

APPROVED BY THE COMMISSION:

JACK K. PALK, Chairman

REB:km 7/18/66